IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

NOTICE OF MOTION NO. 1837 OF 2003

IN

SUIT NO. 1908 OF 2003

Indiacom Limited .. Plaintiff.

vs.

Tata Teleservices Ltd,.

& Ors. .. Defendants.

Mr. Shyam Diwan a/w Rahul Kader & H.W. Kane

for plaintiffs.

Mr. Iqbal Chhagla a/w D.D. Madon i/by

Mulla & Mulla for Defendants.

CORAM : S.U.KAMDAR, J.

DATE : 28th OCTOBER, 2005.

ORAL JUDGMENT :

. The present notice of motion is initiated by the plaintiff on a passing off action under the provisions of the Indian Mercantile Marks Act, 1999 seeking direction that the defendants should be restrained by an order and injunction from in any manner using the mark in relation to its telecom related services and the products name and/or mark "INDICOM" or any other name or mark deceptively

similar to the Plaintiff's corporate name and trade mark "INDIACOM". The aforesaid injunction is sought in a passing off action as it is contended by the plaintiff that the defendants are seeking to pass off the business services and product of the plaintiff as if the same is the business and product of the defendants. Some of the material facts in the present case briefly enumerated are as under :-

2. The originally the name of the plaintiff company was known as Sesa Seat Information Systems Pvt. Ltd. and it was incorporated in 1988. The company was engaged in the technical collaboration with a foreign company known as STET S.p.a. of Italy. In 1988 the plaintiff entered into the business of directory publication. From the said year the plaintiff also published what is popularly known as "Yellow Pages" and Stand Alone Yellow Page directories. The business of the telecommunication was wholly monopolised in India with the Government of India Undertaking of Mahanagar Telephone Nigam Limited and thus the plaintiff was publishing the directories in respect of the telephones of the said Mahanagar Telephone Nigam Limited. Thus, telephone directories were printed and published on behalf of the said Telephone Nigam Limited of different cities and areas. The said telephone directories were distributed by the said Mahanagar Telephone Nigams Limited free of cost to every subscriber of the

telephone connection. Thus, the plaintiff was publishing the said telephone directories on behalf of the Mahanagar Telephone Nigams Limited and distributing the same amongst the public free of charge through the Mahanagar Telephone Nigam Ltd. The main source of the revenue generation of the plaintiff has been from procuring the advertisement from various parties and printing the same in the telephone directories. It is the case of the plaintiff that the income generated from the advertisement revenue during the period 1.9.1988 to 30.9.1999 i.e. for a period of almost 10 years and six months has been in the range of Rs. 43,11,095 to Rs. 14,63,60,292/- It is the further case of the plaintiff that in respect of the advertisement and promotional expenses to promote the name of the plaintiff as a corporate name namely, INDIACOM Limited as well as the trade mark INDIACOM the plaintiff has spent towards the promotional and advertisement expenses from 21.1.1988 to 30.9.1999 from Rs. 10,19,186/- to Rs. 43,89,141/-. It is the further case of the plaintiff that the plaintiff unsuccessfully also attempted to enter into the local network management services and/or to apply for the licence for telecommunication services but they have been unsuccessful.

3. It is the case of the plaintiff that in 1998, the Government of India announced the revised

policy of a telecom sector known as National Telecom Policy 1998. It is the case of the plaintiff that a company known as ICPL claimed to have commenced the use of the word "INDICOM". This company known as India Communication Private Limited has been incorporated sometime on 24.1.2000. With effect from 1.4.2000 the business of the said India Communication Private Limited was taken over by a proprietary firm known as M/s. Indicom. The said M/s. Indicom applied for registration of trade mark on 20.7.1999 under Registration Application No. 866988. By the said application the applicants have contended that they are seeking to register mark "INDICOM" under Class 16. In the said application it was the claim that the mark is in use from 1.5.1996. However, subsequently by a covering letter dated 7.2.2003 the defendants have corrected that application and has claimed user of the mark with effect from 1.5.1999. On 26.8.1999, the plaintiff hosted website under the domain name of INDIAREFERENCE.COM. It is the case of the plaintiff that on the other hand the business of the plaintiff of publishing directories for various cities and towns has been commenced since September, 1999. On 6.9.1999, the plaintiff decided to change their corporate name from Sesa Seat to Indiacom Directoires Limited. With effect from 6.9.1999 once again the plaintiff continued to publish directories, yellow pages and Stand Alone Yellow

Pages. It is the further case of the plaintiff that they have been issuing the said directories in 24 cities and/or towns and 71 lakh copies are being distributed. The plaintiff was also claiming that they have also published under the brand name "Indiacom" tourist guides, business directories, directory of e-mail pages, and other business information . During the period 2000 to October, 2002 on the other hand the said company known as INDICOM Communications Private Limited also continued the business of web hosting, internet and designing and/or maintenance thereof. It is the case of the plaintiff that defendant erstwhile in title of the brand name "Indicom" was only in web hosting business and publication in respect thereof. They had no business or earned any good-will in respect of the mark "Indiacom" in relation to telecommunication services.

4. On 31.3.2000 the said company Indiacom Communications Private Limited was taken over by the firm Indicom and a MOU came to be signed between the parties for taking over thereof. In October, 2002 the defendant commenced its business in tele services and they have started using the trade name Tata Indicom and particularly lodged their services under the said trade name in November, 2002. It is the case of the defendant that they have been continuously and exclusively using the said trade

name "Tata Indicom". On 16.10.2002 the plaintiff company once again changed their corporate name from Indiacom Directories Limited to Indiacom Limited. It is the case of the plaintiff that on 5.12.2002 the plaintiff came across an advertisement in Deccan Chronicle, Hyderabad with the 1st Defendant using the mark "INDICOM" and accordingly on 15.1.2003 gave a notice to the 1st defendant objecting the user of the mark "INDICOM" by the defendant herein. On 6.2.2003 the 4th defendant replied to the letter on behalf of the 1st defendant to the plaintiff herein. On 10.5.2003 a deed of assignment has been executed by a company known as Indicom Communications Pvt. Ltd., in favour of the 4th defendant assigning the trade mark "INDICOM". The 4th defendant Tata Sons Limited, inter alia holding a substantial share holding of the 1st defendant namely Tata Tele Services Limited. Immediately thereafter the plaintiff has filed the present suit on 23.6.2003 inter alia seeking injunction restraining the defendant from using the said mark "INDICOM" in relation to their business of tele services by the defendant no. 1 and has taken out the present notice of motion for interim reliefs.

5. The defendant no. 1 has filed the reply to the notice of motion and has inter alia claimed that they are entitled to use the said mark firstly because of the prior user which was in favour of the

firm known as M/s Indicom and by virtue of a deed of assignment the right in the said mark has been acquired by the 4th defendant and has been permitted to be used by them to the 1st defendant. It has also been contended that the adoption of the mark by the defendants in relation to INDICOM is honest and bonafide as of Tata Group of Companies have been using the said mark in some form or the other such as INDICA, INDIGO in relation to various other companies of the Tata Group of Companies. Thus, it has been contended that keeping in mind the said tradition the defendant no. 4 has honestly acquired the assignment in the mark INDICOM from the said M/s. Indicom who was prior user in respect of the said mark prior to the plaintiff herein. Secondly, it has been contended that the plaintiff is not entitled to maintain the suit for injunction firstly because it cannot be said that the plaintiff has acquired any reputation in the mark because there is no sale of any product of the plaintiff in the market. Furthermore, the plaintiff is in different business of directory publication whereas the defendants are in the tele services which are pole apart.

6. On the aforesaid pleadings both the plaintiff and the defendants have argued the present notice of motion at length. The learned counsel appearing for the plaintiff has vehemently contended

that the plaintiffs are entitled to the interim injunction on the ground of passing off of their product by the defendant under the brand name INDICOM. It has been contended that the mark INDIACOM which has been used as a trade mark by the plaintiff and the mark INDICOM which has been used by the defendant no. 1 is synonymous both in words as well as phonetically and, therefore, this Court ought to grant an interim relief. It has been further contended that there is plenty of evidence to show that there has been a confusion in the minds of the public at large when the complaints pertaining to the telephone services rendered by the defendants are being received by the plaintiff and thus there is not only a likelihood of confusion but in fact there is a confusion and, therefore, this Court ought to grant injunction so as to avoid any such confusion in the mind of large public. It has been further contended that the telephone directories and the telephone services are cognate goods and in view of the fact that they are cognate goods the action of passing off is maintainable not only in respect of the very same goods which are produced and sold by the plaintiff in market but also apply in relation to the cognate goods and related services to that of the plaintiff and, therefore, the plaintiff is entitled to interim orders. It has been further contended that the socalled claim of prior user by the defendant is

dishonest and lacks bonafide. It has been contended that the so called assignment which is sought to be relied upon for the purpose of claiming prior user is bogus and has been deliberately entered into only with a view to defeat the claim of the plaintiff for interim reliefs. It has been further contended that the so called assignment has been entered into by the defendant from the company known as M/s. Indicom after the legal notice is served by the plaintiff on the defendant and thus it cannot be stated that the assignment is valid and legal in favour of the defendant. It is thus submitted that the defendant is not entitled to rely upon the said deed of assignment for the purpose of protecting the user of the trade mark INDICOM in their favour.

7. Alternatively it has been contended by the learned counsel Mr. Diwan appearing for the plaintiff that in any event the said assignment do not confer any right in favour of the defendant because there was no reputation earned by the erstwhile company M/s. INDICOM as no user of the mark has been established prior to September 1999 when the plaintiff adopted the said mark and honestly commenced user of the mark both as a trade style and trading mark. It is thus contended that the defendant is not entitled to claim prior user on the basis of such deed of assignment. It has been further contended that the deed of assignment sought

to be relied upon by the defendant is invalid in law in as much as that the document is signed only by one of the parties to the said assignment and not by both the parties whose name is entered in the registration application for the trade mark. It has been further contended that admittedly the application indicated the user of the mark from May 1996 to May, 1999 but by a letter dated 7.7.2003 they themselves have restricted the claim of the user of the mark to September, 1999. In that view of the matter, it has been contended that the claim raised in respect of the prior user by virtue of the trade mark is meritless and, therefore, the same should be rejected.

8. On the other hand, the learned counsel Mr. Chhagla appearing for the defendant has vehemently contended that firstly the plaintiff has no reputation of any nature whatsoever in respect of the said mark INDIACOM. It has been contended that admittedly the plaintiffs are not selling the directories under the mark INDIACOM. It has been contended that there is no dispute between the parties that there is no sale of the directories but directories and/or yellow pages are distributed free of costs by the various Mahanagar Telephone Nigams of different areas and the plaintiff is only doing the printing and publication work on behalf of the said Mahanagar Telephone Nigams Limited. It has

been thus contended that the plaintiff cannot be stated to have acquired any reputation in the said mark Indiacom as the said trade name or trading style or trade mark and, therefore, the plaintiff is not entitled to any interim orders. In the alternative, it has been contended that even assuming that there is any reputation earned by the plaintiff in the mark Indiacom then in that event also the plaintiff is not entitled to any interim orders. This is because the business of the plaintiff is only publication and printing of the directories and not related to any telephone services. It has been contended that plaintiff's business cannot be treated as a tele communication or an internet services which business has ben carried on by the defendant. It has been thus contended that both business are totally separate and distinct and cannot be clubbed as a cognate goods or related services and it has ben thus contended that the plaintiff is not entitled to any interim orders. Thereafter the learned counsel for the defendant has contended that assuming without admitting that the plaintiff is entitled to maintain the present passing off action still the plaintiff is not entitled to relief because in the passing off action, the prior user is a must for the purpose of maintaining an action in the passing off case. It has been contended that by virtue of the acquisition of the mark by the defendant from M/s. INDICOM

which was already in the market with the mark INDICOM it is the defendant who has acquired the prior user and as such it is only the defendant who is entitled to use the said mark INDICOM and the plaintiff is not entitled to maintain an action for passing off of his goods and/or related services under the mark INDICOM. It has been contended that there has been a valid assignment in favour of the defendant and the so called contention that the adoption of the mark is dishonest and lacks bonafide, cannot be accepted because the defendants are using the mark in relation to the word 'Indi' associated with different suffix in respect to many companies and not only in respect of the defendant no. 1 company. Thus, the adoption of the mark by the defendant as well as acquiring the rights under an assignment are both legally valid and bonafide by the defendant so as to preserve the tradition of the defendant by utilising the mark INDICOM in relation to the defendant services. It has been further contended that the word "INDICOM" reflects the service rendered by the defendant which inter alia includes internet services and, therefore, the defendant cannot be prevented from using the mark INDICOM.

9. Both the learned counsel have cited large number of authorities in support of their contention. The learned counsel for the plaintiff

in support of the contention that the plaintiff is not entitled to the user of the mark has cited well known passage from the book "The Law of Passing-Off by Christopher Wadlow particularly para 6.29 in which it is inter alia stated that distinction is drawn when the fancy words are coined with two distinct descriptive words and in such cases person can claim the proprietary mark of such fancy words created by joining two descriptive words. It was his argument that the word INDIACOM though consists of two descriptive words INDIA and COM but use in the conjunction with each other could create a fancy word known as INDIACOM which by itself is a non-descriptive word though created by use of two descriptive words. The learned counsel has cited para 6.29 of the aforesaid book which reads as under :-

> " A distinction is sometimes drawn in which "fancy" words are contrasted with those which are prima facie descriptive. A fancy word is one which has no obvious relevance to the character or quality of the goods or business in relation to which it is used, such as Eureka for shirts, Clock for an hotel or June for toiletries. It is "of an arbitrary and fanciful nature" in that context. Whether a word is fancy or descriptive may depend on how it is used.

Health may plausibly be called a fancy word in respect of fishing gear but not for cocoa. The significance of the difference is that distinctiveness is very much more easily acquired for fancy words, and it is inappropriate to speak of secondary meaning when the word has no primary meaning to displace. However, the decision to categorise a word as fancy or descriptive is only one part of the wider issue of whether there is a material representation to restrain. Inherent ability to distinguish is always a matter of degree with there being a continuous spectrum between the highly fanciful and the obviously descriptive. Wherever the name may fall on that range, what matters is whether the name is distinctive in fact.

A slightly different distinction was drawn by Templeman L.J. in McCain International v. Contry Fair Foods in which he put weight on the information the names impart as well as on the way they first strike the reader. It is suggested that this change in emphasis is in keeping with the modern understanding of the tort.

There is a very real difference in passing-off litigation between a fancy name and a descriptive name. A fancy name which

> is not descriptive of a product can only indicate that the product bearing that name is, or is licensed by, or is derived from one and the same supplier. Thus in Spalding v. Gamage the plaintiffs described their football as 'Orb Football' .... in my judgment it was a fancy name in that nobody would have dreamed of connecting a football with an orb in normal speech, and if it was a fancy name the defendants could not use the same fancy name without thereby representing that their goods were the goods of the plaintiff. In my judgment a fancy name is an indication of a single source and that is why it is impossible, generally speaking, for a defendant to appropriate the same fancy name without committing the tort of passing off.
>
> A descriptive name, on the other hand, does not indicate the source of the goods, but the nature of the goods."

This is reminiscent of the way Parker J. treated the distinction between fancy and descriptive words in British Vaccum Cleanrer Co. v. New Vaccum Cleaner Co.

> "Now with regard to questions such as arose in Reddaway v. Banham and Cellular Clothing Co. v. Maxton and Chivers & Sons v. Chivers I think a distinction must always be drawn between cases in which the word in question the word which it is proposed to restrain the defendant from using is a word of ordinary use, descriptive of an article, and cases in which the word complained of more or less, partakes of the character of a 'fancy word', or, primarily, does not relate to the article but to the person who makes the article."

10. Thereafter he has cited the judgment of the Chancery Division in the case of Computervision Corporation v. Computer Vision Limited reported in [1975] R.P.C. No. 7, page no. 171 clubbing the words "computer" and "vision" and used in

conjunction with each other as "computervision". He has drawn my attention to the following passage.

> " But are the words "computer vision" words of ordinary use descriptive of the business carried on in that sense? The word "computer" is no doubt a word in ordinary modern use, as is the word "vision". But those two words have never been used in conjunction except by the plaintiffs. Mr. Stephens, who is n executive engineer in the Post Office Research Establishment at Dollis Hill, who has been employed in the electronics field for 20 years and who is an independent witness, says this in an affidavit which he has sworn: "I do not know of any company other than the plaintiffs which has been selling electronic apparatus under a name closely resembling 'Computervision' nor do I know of any company trading under such a name".

Similarly my attention has also been drawn to the judgment of the Delhi High Court in the case of Living Media India Limited vs. Jitender V. Jain and Anr., reported in 2002 (25) PTC 61 (Del) where the words "AAJ and TAK" is used as one singular word "AAJTAK" and the Court has held that it becomes a fancy word and entitled to its own protection. The

learned counsel has thereafter cited before me the judgment of the Chancery Division in the case of Legal and General Assurance Society Limited v. Daniel and Others, reported in [1968] Reports of Patent, Design and Trade Mark Cases [No.9] at page 253 where the issue was the trade mark Legal & General though being two description words when used in conjunction with each other could create a right in the person using the same as fancy as a trade mark. He has cited before me the following passage:-

> " It seems to me that, although these words "Legal & General" are descriptive words, nevertheless they have acquired such a connotation, such a significance in business and elsewhere, that they have become especially associated with the plaintiff company. The words are very different from the words "office cleaning" which were considered in the House of Lords in Office Cleaning Services Ltd., v. Westminster Window & General Cleaners Ltd., (1946) 63 R.P.C. 39. Those words "office cleaning" were very common, ordinary descriptive words. These words "Legal & General" are less common, less descriptive, more specialised, and rarely used in combination except by the plaintiffs. I find it

> difficult to believe that Mr. Daniel chose the words "Legal & General" just by chance. Then there is the newspaper advertisement telling people to write to the "Legal & General". In all the circumstances I have no hesitation in holding, as the judge did, that there is a strong prima facie case for holding that the use of the words "Legal & General" by the defendants is calculated to lead to the belief that their business is in some way connected with the Legal & General Assurance Society. It is calculated to lead to confusion. There is so strong a prima facie case that the proper course for us is to grant the interlocutory injunction, remembering always that, if the plaintiffs should eventually fail, there is an undertaking in damages which they should be well able to meet."

11. Thereafter the learned counsel has cited the judgment of this Court in the case of J.C. Eno, Ltd,. vs. Vishnu Chemical Co. reported in AIR 1941 Bom 3 wherein the word "fruit salt" was concerned and it was held that fruit and salt though two different descriptive words but on use in conjunction with each other acquire a distinctiveness in respect of the said word as a character. The learned counsel has also cited

before me another judgment in the case of Globe Super Parts vs. Blue Super Flame Industries and Another, reported in 1986-PTC-235 where the word in question was "super" and "flame" and was used as one word "SUPERFLAME"and in a detailed judgment the Court has held that the same can be permitted since the descriptive words are used. Similarly a judgment was cited in the case of Plastindia Foundation vs. Ajeet Singh & Anr., reported in 2002 (25) PTC 71 (Del) where also the issue was "Plast" and "India". The learned counsel also cited a judgment in the case of Hidesign vs. Hi-Design Creations reported in (1991-PTC-178) in which the words "HIDE" and "SIGN" were used as one word HIDESIGN and has acquired the mark. It is the case of the plaintiff that the mark INDICOM though consists of two descriptive words it acquires a unique status in relation to the claim of the plaintiff’s business as well as in relation to the mark of the plaintiff as being used as "INDICOM" in conjunction with each other as a separate fancy word. In so far as the aforesaid argument is concerned, the plaintiff has not seriously disputed the contention that the words "INDIA" and "COM" being two descriptive words, a party like the plaintiff can utilise the said mark in conjunction with each other as one singular fancy word INDIACOM. In the light of the aforesaid, I do not find much need to go into the details of the aforesaid

judgment but law as it is set out is well settled that a person can utilise two descriptive words as one phraseology and can create by virtue of conjunction of two descriptive words a fancy word which can be utilised as a trade mark.

12. The next issue which is a complex issue raised between the parties is pertaining to the word cognate goods and related services. It is contended by the plaintiff that telephone directories and telephone services are cognate goods and related to each other in the same field and as such entitled to protection by holding that they are related by cognate theory and, therefore, a passing off action is maintainable. On the other hand, the learned counsel for the defendant has contended that publication of telephone directories for and on behalf of Telephone Nigams and actual rendering of telephone services are not cognate or related field and, therefore, the plaintiff is not entitled to maintain a suit for passing off injunction. The learned counsel for the plaintiff has in support of the aforesaid contention relied upon the judgment of the learned Single Judge of this Court in Notice of Motion No. 682 of 2003 in Suit No. 667 of 2003 in the case of Shri Harish Motichand Sariya vs. Ajanta India Limited & Anr. decided on 9.4.2003. He has also relied upon the judgment of the Division Bench in an appeal arising out of the order of the learned

Single Judge mentioned hereinabove. The said Division Bench has in Appeal (Lodging) No. 498 of 2003 decided on 18.6.2003 while upholding the view of the learned Single Judge has held that the passing off action is maintainable in respect of related and cognate goods. The relevant portions of the judgment reads as under :-

> 5. Bobde J. held that the Respondent has acquired a reputation in respect of his goods i.e. tooth burhses under the trade mark AJANTA and that the trading by the appellants in their goods i.e. took paste under the very same trade mark AJANTA constitutes passing off of their goods as those of the Respondent, since their goods are clearly allied or cognate goods. The learned Judge has relied upon the decisions in Thomas Bear and Sons (India) v/s. Prayag Narain - AIR 1935 Allahabad 7, Thomas Bear and Sons (India) vs. Prayag Narain AIR 1940 Privy Council 86, Prakash Industries Ltd., v/s. Rajan Enterprises - 1994 PTC 31, Ellora Industries v/s. Banarasi Dass - AIR 1980 Delhi 254, Kamal Trading Company, Bombay and others v/s. Gillette U.K. Limited, England - 1988-PTC-1 and Bajaj Electricals Limited, Bombay v/s. Metals and Allied Products, Bombay and another - AIR

6. It is not necessary to refer to all the decisions. The statement of law is neatly summed up by the Privy Council in Thomas Bear and Sons (India) v/s. Prayag Narain as follows :

"Their Lordships see no reason to doubt the finding of the trial Judge that the appellants had acquired a proprietary right in respect of their elephant trade mark with reference to their cigarettes and Virginia Bird's Eye tobacco. Nor are they of opinion that the appellants' right is confined only to the sale of the same kind of cigarettes and of Virginia Bird's Eye tobacco; for, in the absence of strong evidence to the contrary, such a mark would ordinarily extend to protect goods so similar in kind to the goods actually put upon the market by the trader in connexion with the trade mark that it is an almost inevitable inference that such goods would be manufactured or marketed by the trader. In other words, the probability of deception in the case of goods of a closely similar kind to those actually marketed by the plaintiff would be proved in the course of establishing the trade mark. No such inference could be made in the present case as regards the respondent's goods, since the chewing tobacco he sells differs widely in appearance and in use from the goods sold by the appellants." (emphasis supplied)

10. In so far as present case is concerned, we find no difficulty in holding that tooth paste must be taken to be a goods in a class cognate to tooth brush and that there is a clear commercial connection between the tooth paste marketed by the Appellants under

the name AJANTA and the tooth brush manufactured by the Respondent under the same name. Tooth paste is one of the things that is used to make one's toilet. Webster's Third New International Dictionary gives the meaning of "toiletry" as an article or preparation used in making one's toilet (as a soap, lotion, cosmetic, tooth paste, shaving cream, cologne). In M/s. Sarin Chemical Laboratory v/s. Commissioner of Sales Tax, U.P. - AIR 1971 SC 65, the Supreme Court has while considering the meaning of word toiletry, observed as follows :

"Neither the expressions 'cosmetic' nor 'toilet requisite has been defined in the Act. The dictionary meaning of the expressions 'cosmetic' (see Webster's International Dictionary) is "A preparation to beautify or alter appearance of the body or for cleaning, colouring, conditioning or protecting skin, hair, nails, eyes or teeth", The same dictionary gives the meaning of the expression "toilet" thus: 'an act or process of dressing, especially formerly of dressing hair and now usually cleansing and grooming of one's person". The word "toiletry" is explained in the said dictionary as meaning "an article or preparation used in making one's toilet such as soap, lotion, cosmetic, tooth paste, shaving cream, cologne, etc."

11. Mr. Tulzapurkar submitted and, in our opinion correctly, that the registration for toilet preparatory must be construed as one for tooth paste. That apart, tooth paste

and tooth brugh are both used for cleaning teeth and it has also come on record that a large number of manufacturers sell the products i.e. tooth paste and tooth brush in a single packet. There is thus clear commercial connection between the two products. We, therefore, do not find any error in the findings recorded by the learned Single Judge, that the tooth paste is a cognate or allied product of tooth brush.

13. In Bajaj Electricals Limited, Bombay v/s. Metals and Allied Products, Bombay and another, the question was whether the plaintiffs' goods which were electric lamps, lighting, fittings, accessories, kitchen appliances such as stoves, heaters, toasters, mixers, grinders, pressure cookers and kitchen wares ought to be considered as allied to the defendants goods which were being sold by them under the very same trade mark "Bajaj" i.e. kitchen appliances such as Hot-Pot, Hot-Carrier, Ice Box, Hot Lunch Box etc. The Court observed that it is common experience that kitchenware or kitchen appliances like mixures, grinders, pressure cookers, and stainless steel utensils are sold in the same shop and there

is a possibility of deception. Similar is the view in Kirloskar Diesel & Recon v/s. Kirloskar Proprietary Ltd., - AIR 1996 Bom. 149, Essel Packaging Ltd., v/s. Essel Tea Exports Ltd., - AIR 1998 Bom. 102 and Volvc vs. Volvo - 1998 PTC page 46."

13. The learned counsel for the defendants has on the other hand relied upon the judgment in the case of American Home Products Corporation vs. MAC Laboratories Pvt. Ld., and another, reported in 1986 (1) SCC 465, particularly para 36 thereof which reads as under:-

> 36. The object underlying Section 46 (1) is to prevent trafficking in trade marks. This is, in fact the object underlying all the trade mark laws. A trade mark is meant to distinguish the gods made by one person from those made by another. A trade mark, therefore, cannot exist in vacuo. It can only exist in connection with the goods in relation to which it is used or intended to be used. Its object is to indicate a connection in the course of trade between the goods and some person having the right to use he mark either with or without any indication of the identity of that person. Clause (v) of Section 2 (1) which defines

the expression "trade mark" makes this abundantly clear. Trade marks became important after the Industrial Revolution as distinguishing goods made by one person from those made by another, and soon the need was felt to protect traders against those who were unauthorisedly using their marks and accordingly registration of trade marks was introduced in England by the Trade Marks Registration Act, 1875, which was soon replaced by more detailed and advanced legislation. When a person gets his trade mark registered, he acquires valuable rights by reason of such registration. Registration of his trade mark gives him the exclusive right to the use of the trade mark in connection with the goods in respect of which it is registered which is the same or deceptively similar to his trade mark, he can protect his trade mark by an action for infringement in which he can obtain injunction, damages or an account of profits made by the other person. In such an action, the registration of a trade mark is prima facie evidence of its validity. After the expiry of seven years from the date of the registration a trade mark is to be valid in all respects except in the three cases set out in Section 32. The proprietor of an

> unregistered trade mark whose mark is unauthorisedly used by another cannot, however, sue for the infringement of such trade mark. His only remedy lies in bringing a passing-off action, an inconvenient remedy as compared to an infringement action. In a passing-off action the plaintiff will have to prove that his mark has by user acquired such reputation as to become distinctive of the plaintiff's goods so that if it is used in relation to any goods of the kind dealt with by the plaintiff, it will be understood by the trade and public as meaning that the goods are the plaintiff's goods. In an infringement action, the plaintiff is not required to prove the reputation of his mark. Further, under Section 37 a registered mark is assignable and transmissible either with out without goodwill of the business concerned while under Section 38, an unregistered trade mark is not assignable or transmissible except in the three cases set out in Section 38 (2).

He has also relied upon the judgment of the Supreme Court in the case of Cadila Health Care Ltd., vs. Cadila Pharmaceuticals Ltd,. reported in AIR 2001 SC 1952, particularly para 10 of the said judgment.

He has also relied upon the judgment of the Supreme Court in the case of Wander Ltd., and another vs. Antox India (P) Ltd., reported in 1990 (2) SC 399, particularly para 5 of the said judgment.

14. By relying upon the aforesaid judgments the learned counsel has contended that the person is entitled to protection of his own mark in relation to his goods and cannot demand protection of his mark in respect of the goods which do not belong to him. He has contended that the goods of the plaintiff is printing and publication directories and it has nothing to do with the telecommunication services and, therefore, the plaintiff is not entitled to maintain the present action.

15. Both the aforesaid orders have arisen though at ad-interim proceedings however, the law has been considered in depth by the Division Bench in the aforesaid judgment as set out hereinabove. Even if the aforesaid judgement has considered the law at the ad-interim stage, but independently also I am of the opinion that in view of the judgment of this Court in the case of Bajaj Electricals Limited, Bombay vs. Metals & Allied Products, Bombay and another, reported in AIR 1988 Bom. 167, the Judgment of another Division Bench in the case of Kamal Trading Co. Bombay and others, vs. Gillettee U.K. Limited, Middle Sex, England, reported in 1988

The Patents and Trade Marks Cases, Volume-VIII page 1 and the judgment of the learned Single Judge in the case of Kirloskar Diesel Recon Pvt. Ltd., and another vs. Kirloskar Proprietary Ltd., and others, reported in AIR 1996 Bom. 149, I am of the view that the law as far as this Court is concerned in relation to the cognate goods is well settled that the action of a passing off is maintainable not only in respect of same goods but also in respect of cognet goods. The aforesaid judgements take a view that in cases of the goods which are related to each other though may not the same goods but the goods is covered by the same class or covered in the same field, a passing off action is maintainable by the plaintiff to protect his mark and an injunction can be granted. What is a related field and what is the cognate goods is of course a question of fact to be decided on facts of each case. In the present case, the plaintiff's business is of publication of telephone directories and yellow pages and also internet web site by the plaintiff whereas the business of the defendant is in respect of telecommunication and inter net services. It is the case of the plaintiff that both are related services and goods or product and are a cognate goods or product.

16. The learned counsel Mr. Diwan in support of his argument has relied upon TATA PRESS LTD., vs.

MAHANAGAR TELEPHONE NIGAM LIMITED AND OTHERS, reported in (1995) 5 Supreme Court Cases 139 particularly para 26 o page 156. It is the case of the plaintiff that in the said judgment the Supreme Court has held that telephone directory is such an essential and integral part of telecommunication services that in absence of such telephone directories the telephone services cannot be effectually operated upon. It has been held that the directory to the telephone is equally important as telephone hand set to the telephone itself. The said para 26 of the judgment reads as under :-

> "26. Adverting to the question whether Tata's compilation is a telephone directory as envisaged under the Rules, we may examine the scheme of the Rules. Rule 452 provides that a copy of the telephone directory shall be supplied free of charge for each telephone, extension or party line, rented by the subscriber. Although the expression 'telephone directory' has not been defined under the Rules, but Rule 453 clearly provides that an entry in the telephone directory shall contain he telephone number, the initials, the surname and the address of the subscriber or user. Rule 457 makes a telephone directory to be the property of the department. It provides that the

telephone directory shall remain the exclusive property of the department and shall be delivered to it on demand. The department reserves the right to amend or delete any entry in the telephone directory at any time and undertakes no responsibility for any omission. It shall not entertain any claim or compensation on account of any entry in or omission from the telephone directory or of an error therein. Then come the two crucial rules. Rule 458 under the heading "publishing of Telephone Directory" provides that except with the permission of the telegraph authority, no person shall publish any list of telephone subscribers. Rule 459 deals with 'advertisements' and lays down that the telegraph authority may publish or allow the publication of advertisements in the body of the telephone directory. It is no doubt correct that a telephone directory is an essential instrumentality in connection with the peculiar service which the Union of India offers for the public benefit and convenience. It is as much so as is the telephone receiver itself, it would be practically useless for the receipt and transmission of messages without the accompaniment of such directories. The

telephone service being a public utility service, the telephone authority has rightly been given powers under the Act and the Rules to regulate the form and contents of the telephone directory. In the development of this form of public utility service, the telegraph authority has found it practicable and profitable to diminish the cost and increase the profits of operation by making use of its directories as a means and form of advertising available to its subscribers. In the typical classified telephone directory, or the "yellow pages" section of the directory published by the Nigam, there are alphabetical light-faced type listing (for which there is usually no charge), alphabetical bold-faced type listings, alphabetical in-column business card listings and display advertising. "Yellow Pages" of the telephone directory are wholly paid advertising. It cannot be disputed that the paid advertising, apart from the light-faced free listing, is not in the nature of a service rendered by a utility. The "Yellow Pages" attached to the telephone directory issued by the Nigam cannot be a part of the Nigam’s public telephone service."

17. In light of the aforesaid view expressed by the Apex Court in the judgment of Tata Press (supra) I am of the opinion that it is not possible to hold that even telephone directories and the telephone communications are not the cognate goods or cognate products. I am of the opinion that both operate in the same field and, therefore, both are cognate goods and as such the contention of the plaintiff that they are related services and cognate goods has to be accepted.

18. The learned counsel for the defendants has thereafter relied upon the judgment of the Supreme Court in the case of Dhariwal Industries and another vs. M.S.S. Food Products, reported in (2005) 3 SCC 63, particularly paragraphs 7 and 10 of the said judgment which reads as under :-

> 7. Section 27 of the Trade Marks Act, 1999 provides that nothing in that Act shall be deemed to affect the right of action against any person for passing off goods or services as the goods of another person or as services by another person or the remedies in respect thereof. Therefore, the fact that neither party has a registered trade mark as on the date of the suit cannot stand

in the way of entertaining the claim of the plaintiff and granting the plaintiff an injunction in case the plaintiff is in a position to show prima facie that it was the prior user of its mark, that it had a prima facie case and that the balance of convenience was in favour of the grant of an interim injunction. It is provided in Section 39 of the Act that an unregistered trade mark may be assigned or transmitted with or without goodwill of the business concerned. It is, therefore, possible for a plaintiff or a defendant to show that an unregistered trade mark that was being used by another person earlier had been assigned to it and that it can tack on the prior user of its predecessor.

10. Before us also, learned counsel for the defendants made a strenuous attempt to argue that the documents were forged or manufactured and they could not be relied on. In fact, considerable time was taken up by the appellants in challenging the genuineness of the documents and the respondents in supporting the genuineness of the documents. We are inclined to agree with the High Court that it is not possible for this Court to decide at this stage, even

prima facie, whether these documents have been got up or manufactured for the purpose of this litigation. Prima facie, it appears to us that at least one of the prior documents relied on by the plaintiff was allegedly seized during an income tax raid sometime in the year 2001 and prima facie a document is produced in support of acknowledgement of such seizure. The other assignments are challenged essentially on the ground of discrepancy in the alleged sale of stamp paper by a licensed stamp vendor, the date of execution and the question whether the alleged stamp vendor had a valid licence on the relevant date, to sell those stamp papers. These aspects, we also feel, have to be decided at the trial and it will be premature to take a view on the contentions thus raised by the defendants. The said approach adopted by the trial court and the first appellate court in the circumstances, cannot be said to be perverse or so unreasonable as to warrant correction by this Court, considering that this Court is sitting in appeal by special leave, at an interlocutory stage. Suffice it to say, prima facie on the materials produced, it could not be said that the trial court and the High Court

committed such an error in prima facie accepting the case of prior user of the mark "Malikchand" set up in the plaint so as to warrant interference by this Court."

19. I am of the opinion that the aforesaid judgment of the apex Court clearly holds that the issue of prior user is required to be considered for the purpose of maintaining passing of action. In the present case the plaintiffs are using mark 'Indiacom' since September, 1999 whereas defendants have claimed the user of the said mark from May 1999 through erstwhile company M/s. Indicom. The said claim is based on the Deed of Assignment executed by M/s. Indicom in favour of defendant no. 4 which is a company holding the rights in defendant no. 1 company and has permitted defendant no. 1 to use the said mark. Though the aforesaid facts indicate that defendant no. 1 is a prior user of the said mark 'indicom' still the plaintiffs contend that they are entitled to the injunction in the present case because the deed of assignment is invalid. On the other hand the defendant has contended that the plaintiff has acquired no reputation in respect of the mark "INDIACOM" it has been contended by the learned counsel for the defendants that admittedly business of the plaintiff is only printing and publishing the directories and are not sold in the market. It has been contended that when the goods

are not sold in the market then in that event question of acquiring any reputation would not arise. It was contended that for the purpose of acquiring reputation it must be shown that the said mark is being used in relation to the goods which are available in the market for the sale. The learned counsel for the defendant has further contended that in the present case even the directories are not distributed by the plaintiff but they are distributed by the Mahanagar Telephone Nigams. It was also contended that the word INDIACOM is being used by the plaintiff as the corporate name and not as a trade mark. However, the learned counsel for the plaintiff has drawn my attention to the various pamphlets and literature which are annexed to the said compilation tendered by the plaintiffs indicates that the said word INDIACOM is also used as a trade mark by the plaintiff. No doubt it is true that the plaintiffs are not selling the said goods in the market, namely, the directories or yellow pages and distributing the same free of charge. However, the plaintiffs are generating the revenue from the advertisements. In my opinion, merely because the goods are not marketed for payment of price it cannot be stated that the plaintiff has not acquired reputation in the said mark. The word INDIACOM in relation to the telephone directories has been widely used by the plaintiff and has been

prominently advertised and, therefore, in my view the plaintiff do have the reputation in the mark INDIACOM in relation to their business.

20. In so far as the contention of the defendant pertaining to the prior user is concerned, I find a lot of substance in the contention advanced by the learned counsel for the defendant. It is an admitted position that the plaintiff has commenced user of the mark INDIACOM for the first time in September, 1999. It is an admitted fact that on 6.9.1999 the plaintiff company changed the name of their Sesa Seat to Indicom Directories Ltd., Whereas as against the same the plaintiffs are claiming a prior user of the said mark by relying upon the assignment which the plaintiff has entered into with M/s. Indicom Communications Private Limited. Under the said assignment being dated 10.5.2003 the right of the said M/s. Indicom Communications Private Limited has been taken over by the 4th defendant of which the defendant no. 1 is one of the group company. Though the learned counsel for the plaintiff has sought to contend that the said mark was not used by M/s. Indiacom itself, but I am of the opinion that in fact the mark was not only conceived but also used in relation to the internet business by the said M/s. Indicom Communications Private Limited. The contention of the learned counsel for the plaintiff that the business carried

out in the internet services by the erstwhile holder of the said mark would not give any reputation to the said mark in respect of the telecommunication services in my opinion cannot be accepted. I am of the opinion that even internet connection and internet website is also a part of telecommunication services. Apart therefrom now the defendant no. 1 themselves are also in the business of internet services simultaneously with the telecommunication services and are using the mark INDICOM in relation to both the telecommunication as well as internet services. The present suit being only for passing off the factor of a prior user is of an utmost importance and unless the plaintiff establishes that the user by them from 6.9.1999 has been prior to the user of the mark INDICOM by M/s. INDICOM who are the predecessors in title in the said mark, the plaintiff cannot maintain the present motion for passing off and seek any interim orders. The judgment of the Apex Court in the case of Dhariwal Industries and another vs. M.S.S. Food Products, reported in (2005) 3 SCC 63, makes the position clear that prior user is an important factor which has to be considered in the matter of maintenance of a claim for passing off. The attempt on the part of the plaintiff to show that there is bogus deed of assignment in my opinion cannot be accepted. Merely because there is an error in the date of user shown in the application to the Trade Mark Authority or

there is some irregularity in execution of assignment cannot give any doubt as to the user of the mark M/s. INDICOM at least from May, 1999. By correcting the said date, the defendant has only shown that in fact the user is not from 1996 as claimed but from May, 1999. I do not find any substance in the argument that the said modification of a mistake was deliberate and/or with intention to create false record and, therefore, the same should not be accepted. I am of the opinion that the rectification of the mistake in the application has been bonafide. Apart therefrom various other contentions were raised before me pertaining to the validity of the deed of assignment by pointing out an irregularity of the resolution etc., I find no substance whatsoever therein. The defendant has pointed out that there is a valid assignment of the mark. There has been a due resolution passed by the Directors and Mr. H. Karla who has not signed the resolution has even given an affidavit that he would abide by the said deed of assignment. In that view of the matter, I am of the opinion that the defendant has been able to establish that they are prior user in respect of the mark INDICOM by virtue of the deed of assignment dated 10.5.2005 and thus the defendant is entitled to use the said mark INDICOM. I am of the further opinion that the use of the trade mark INDICOM by the defendant has been honest, bonafide and not with the intention to pass

off the business of the plaintiff as claimed by the plaintiff herein. In that light of the aforesaid, I am of the opinion that the plaintiff has failed to make out a case for grant of any relief in the present notice of motion. The notice of motion is therefore dismissed. No order as to costs.